Canadian Environmental Assessment Agency

2015–16

Departmental Performance Report

The Honourable Catherine McKenna, P.C., M.P.
Minister of Environment and Climate Change and
Minister Responsible for the Canadian
Environmental Assessment Agency

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Minister's Message

As Minister responsible for the Canadian Environmental Assessment Agency (the Agency), I am pleased to present the 2015–16 Departmental Performance Report.

A clean, healthy environment and a strong economy go hand in hand. We have a responsibility to be careful stewards of our resources as we work to create jobs and opportunities for Canadians.

Environmental assessment (EA) matters to Canadians because major projects are developed in communities where they live, work and raise their children. EA is an effective planning tool in helping our government make informed decisions that are grounded in science and that lead to sustainable growth for Canada.

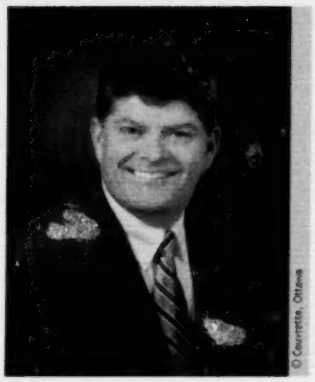
Consultation is integral to the EA process. Each project benefits from multiple Indigenous and public consultation opportunities. We benefit tremendously from Indigenous traditional knowledge and science. The Agency is already doing good work in this area and this is something we will strengthen as part of our commitment to renewing the relationship with Indigenous Peoples, based on the recognition of rights, respect, cooperation and partnership.

As part of our government's commitment to rebuilding trust in environmental assessments, we are conducting a comprehensive review of environmental assessment processes. Ensuring Indigenous communities are full partners in environmental assessment is a key element of this review and we will be engaging them throughout the process. I encourage all Canadians to get involved and share their views.

While this review is underway, we have implemented an interim approach and principles to guide decision making for projects currently undergoing an EA. These principles ensure that decisions are informed by scientific evidence, including data on greenhouse gas emissions and input from Indigenous peoples and the public. I invite Parliamentarians and all Canadians to read this report and learn about the Agency and its work on behalf of all Canadians.

The Honourable Catherine McKenna, P.C., M.P.
Minister of Environment and Climate Change

Institutional Head's Message



As President of the Canadian Environmental Assessment Agency (the Agency), I submit this Departmental Performance Report highlighting the Agency's achievements for 2015–16.

For many major development projects, environmental assessment (EA) is the first phase of the broader federal regulatory framework. EAs fulfill many functions, including consideration and protection of the environment during project planning and implementation, and providing opportunities for Indigenous Peoples and all Canadians to participate in and inform Government of Canada decision-making processes.

Our dedicated team at the Agency plays an important role in leading federal EA processes - conducting EAs, advising our Minister in establishing independent project review panels for some EAs, and supporting the work of those panels. Our Participant Funding Program supports individuals, not-for-profit organizations and Indigenous groups to participate in federal EAs.

In 2015–16, the Agency continued to fulfill its responsibility to conduct high-quality EAs of designated projects in accordance with the *Canadian Environmental Assessment Act, 2012*. In particular, the Agency has advanced its role with respect to compliance and enforcement over the past year, developing clear and comprehensive decision statements with enforceable conditions applicable to project proponents, and conducting inspections to promote and verify compliance. The Agency also continued to work closely with other jurisdictions in advancing cooperative EAs to reduce duplication and make effective use of resources. In support of the Government of Canada's commitment to review federal EA processes, the Agency worked with partner departments in the development and implementation of an Interim Approach and Principles for projects undergoing an EA prior to any potential changes that may arise following the review of EA processes.

We are proud of the work we do at the Agency to support informed decision-making, environmental protection and sustainable development. I invite you to read this report to learn more about our work.

Ron Hallman
President
Canadian Environmental Assessment Agency

Results Highlights

What funds were used?
$ 29,216,302 Actual Spending

Who was involved?
236 Actual FTEs

Results Highlights
During 2015-16 the Canadian Environmental Assessment Agency (the Agency):

- Conducted or managed EA processes for 60 projects subject to the *Canadian Environmental Assessment Act, 2012* (CEAA 2012).
- Managed 19 comprehensive studies and oversaw five screenings initiated under the former *Canadian Environmental Assessment Act*, in accordance with the transitional provisions of CEAA 2012.
- Supported the Government of Canada commitment to review federal environmental assessment processes in the development and implementation of an interim approach that includes principles that will guide and inform decisions on major projects until the review is concluded. The principles include assessing the direct and upstream greenhouse gas emissions linked to the projects under review. The Agency continues to work with Environment and Climate Change Canada to develop the methodology for the evaluation of greenhouse gas emissions.
- Enhanced public and Indigenous engagement in EA in a number of ways, including providing an opportunity to review and comment on draft conditions to be included in Decision Statements.
- Continued to increase awareness and understanding of the requirements of CEAA 2012 through training and guidance, and communications activities.
- The Agency strengthened its compliance and enforcement program by developing standard operating procedures, templates and policy instruments. The Agency also conducted its first on-site inspections and issued written warnings, where required, to ensure compliance by proponents.
- Implemented government wide initiatives such as financial system SAP and the new Government of Canada shared case management system. As part of the Agency's open government strategy, it is participating in the Government of Canada Web Renewal Initiative, migrating to Canada.ca and GCDOCS; the standard electronic document and records management system.

Section I: Organizational Overview

Organizational Profile

Appropriate Minister: The Honourable Catherine McKenna, P.C., M.P., Minister of Environment and Climate Change

Institutional Head: Ron Hallman, President

Ministerial Portfolio: Environment

Enabling Instrument(s): *Canadian Environmental Assessment Act, 2012*[i]

Year of Incorporation / Commencement: 1994

Other: The *Canadian Environmental Assessment Act, 2012* is supported by three regulations: the *Regulations Designating Physical Activities*, the *Prescribed Information for the Description of a Designated Project Regulations*, and the *Cost Recovery Regulations*. The Agency supports its President who is the Federal Administrator under the *James Bay and Northern Quebec Agreement* and the *Northeastern Quebec Agreement*.

Organizational Context

Raison d'être

Environmental assessment (EA) contributes to informed decision-making in support of sustainable development.

The Canadian Environmental Assessment Agency (the Agency) delivers high-quality EAs in support of government decisions about major projects.

Responsibilities

EA informs government decision-making and supports sustainable development by identifying opportunities to eliminate, reduce or control a project's potential adverse impact on the environment before the project is undertaken, and by ensuring that mitigation measures are applied if a project is allowed to proceed.

The *Canadian Environmental Assessment Act, 2012* (CEAA 2012) and its accompanying regulations provide the legislative framework for environmental assessments. Environmental assessments consider whether "designated projects" are likely to cause significant adverse environmental effects that fall within the legislative authority of Parliament or result from a federal decision about the project. Assessments are conducted by one of three responsible authorities: the Agency, the Canadian Nuclear Safety Commission or the National Energy Board. CEAA 2012 requires that opportunities for public participation be provided during EAs and that participant funding and a public registry, including an Internet site, be established. CEAA 2012 also defines the roles and responsibilities of the Agency, the other responsible authorities, decision-makers and project proponents.

When the Agency is the responsible authority, it determines whether an EA is required for a designated project and conducts or manages the EA in accordance with the procedures and timelines set out in CEAA 2012. The Agency is also responsible for managing the EAs of most projects that continue to be assessed under the former *Canadian Environmental Assessment Act*, in accordance with the transitional provisions of CEAA 2012.

The Agency advises the Minister of Environment and Climate Change in fulfilling her responsibilities under CEAA 2012, including establishing review panels to conduct EAs of certain projects determining the significance of the effects of projects, and issuing environmental assessment decision statements at the conclusion of the environmental assessment process.

In support of timely and efficient environmental assessments, the Agency coordinates the delivery of federal requirements with provinces and territories to avoid duplication, and advises the Minister of Environment and Climate Change on requests to substitute the CEAA 2012 process with the environmental assessment process of another jurisdiction.

Additionally, the Agency—on its own and in collaboration with partners—conducts research to support high-quality environmental assessments and develops effective environmental assessment policies and practices. For designated projects for which it is the responsible authority, the Agency promotes compliance with CEAA 2012, and takes action as required to ensure proponents comply with the legislation's requirements.

The Government of Canada takes a whole-of-government approach to Indigenous consultation in the context of EAs, to ensure that Indigenous groups are adequately consulted and, where appropriate, accommodated when the Crown (federal government) contemplates actions that may adversely impact potential or established Aboriginal or treaty rights. The Agency serves as the Crown consultation coordinator to integrate the Government of Canada's Indigenous consultation activities into the environmental assessment process to the extent possible, for review panels and for EAs for which the Agency is responsible.

The Agency leads federal project review activities under the environmental and social protection regimes set out in sections 22 and 23 of the *James Bay and Northern Quebec Agreement* (JBNQA) and in the *Northeastern Quebec Agreement* (NEQA). The JBNQA and the NEQA are constitutionally protected comprehensive land claim agreements. The Agency supports its President who, as the Federal Administrator, must review and determine whether projects of a federal nature proposed under the JBNQA or NEQA should proceed and, if so, under which conditions.

The *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals* establishes a self-assessment process for departments and agencies to conduct a strategic environmental assessment of a policy, plan, or program proposal. The Agency supports the Minister of Environment and Climate Change in promoting the application of the Directive, and provides federal authorities with advice, training and guidance upon request.

The Agency was established in 1994, and is headed by a President who reports to the Minister of Environment and Climate Change. The Agency has its headquarters in Ottawa, with regional offices in Halifax, Québec City, Toronto, Edmonton, and Vancouver.

Strategic Outcome(s) and Program Alignment Architecture

1. Strategic Outcome: High-quality and timely environmental assessments of major projects to protect the environment and support economic growth

1.1 Program: Environmental Assessment Policy

1.2 Program: Environmental Assessment Delivery

Internal Services

Operating Environment and Risk Analysis

Key Risks

Risk	Risk Response Strategy	Link to the Organization's Program(s)
The Agency operates in a continuously changing environment impacted by outside factors, such as the level of economic activity, which affects the volume and distribution of projects requiring EAs.	• This is an ongoing risk that requires the Agency to ensure that resources are available where and when required. • The Agency maintains proactive relationships with stakeholders, to forecast and plan its work to the extent possible.	• Environmental Assessment Delivery Program
Shared federal and provincial responsibility for EA leads to risks of duplication between federal and provincial environmental assessment processes.	• This is an ongoing risk, as EA is an area of shared responsibility between the federal and provincial governments under the *Constitution Act, 1982*. As a result, some projects may require both a federal and a provincial EA. • The Agency seeks opportunities with provinces to reduce duplication in project-specific EAs. • Cooperative mechanisms such as joint review panels, substitution and equivalency are used to reduce this risk.	• Environmental Assessment Policy Program • Environmental Assessment Delivery Program
The Agency manages Indigenous consultation activities with potentially affected Indigenous groups during the EAs of designated projects for which it is	• This is an ongoing risk, because each EA gives rise to the legal duty to consult. • The Agency integrates Indigenous consultation	• Environmental Assessment Policy Program • Environmental Assessment Delivery Program

responsible, in order to fulfill the federal Crown's legal duty to consult. A lack of adequate consultation makes it difficult to ensure appropriate accommodation can be identified and implemented. A lack of adequate consultation may also be a source of uncertainty.	activities into the EA process to the extent possible, and identifies conditions that can be included in a decision statement to address concerns, thereby supporting the federal Crown to meet its legal duty to consult for the government actions associated with a project, and for the Minister of Environment and Climate Change to make an EA decision. • The Indigenous component of the Participant Funding Program provides up to $3 million annually in financial assistance specifically for Indigenous groups, to prepare for, and participate in consultation activities and opportunities associated with EAs undertaken by the Agency or by review panels.	
Proponent non-compliance with CEAA 2012, including conditions identified in decision statements, undermines the objectives of the legislation, reduces environmental protection and diminishes public confidence in the Agency.	• This is an ongoing risk because, with each designated activity that is subject to CEAA 2012, there is a possibility the proponent may not comply with provisions of the Act. • Decision statements provide clear and measureable conditions outlining proponents' obligations in implementing projects approved under CEAA 2012. • The Agency's compliance and enforcement program sets out an approach to verifying compliance and an appropriate response to situations where compliance is not met.	• Environmental Assessment Policy Program • Environmental Assessment Delivery Program
There is a risk that CEAA 2012 and its accompanying regulations are challenged in the courts by project proponents and stakeholders.	• This is an ongoing risk because proponents and stakeholders may challenge how CEAA 2012 and its regulations apply to	• Environmental Assessment Policy Program • Environmental Assessment Delivery Program

Resulting court decisions could change the practices that the Agency has developed or could introduce new interpretations of key sections of the legislation.	proposed projects. • The Agency works toward consistent application of CEAA 2012 and its regulations, by tracking interpretations made in relation to every proposed project. • The Agency develops internal policies on interpreting key pieces of the legislation and its regulations to ensure Agency staff apply the legislation and its regulations consistently and appropriately. • The Agency has posted an Interpretation Policy on its website that outlines the commitments, practices, and tools to be applied when providing Canadians and businesses with information and guidance on regulatory obligations to be met.	

Protecting the environment, while supporting strong economic growth and improving the quality of life of Canadians, are priorities of the Government of Canada. Environmental assessment, including strategic environmental assessment, supports this priority by ensuring that opportunities to eliminate, reduce or control potential adverse impacts on the environment and that mitigation measures are identified before decisions are made to allow policies, plans, programs or projects to proceed.

The Agency operates in a continuously changing environment impacted by outside factors, including the economy, which can significantly affect the type, timing, volume, and distribution of projects requiring an EA. Accurately forecasting where and when resources will be most needed is an operational challenge.

CEAA 2012 includes provisions for a range of approaches in support of the goal of "one project, one review", within a defined time period, including cooperative environmental assessments, joint review panels, delegation, substitution, and equivalency. When the Government of Canada and a provincial government both require an environmental assessment for the same project, the Agency works with that province to the extent possible to design and deliver a coordinated, effective, and efficient environmental assessment process that addresses the requirements of both jurisdictions.

The federal Crown has a legal duty to consult and, where appropriate, accommodate Indigenous groups when it contemplates conduct that may adversely affect potential or established Aboriginal or treaty rights. Indigenous consultation considerations are integrated into all EAs conducted by the Agency and by review panels. As Crown consultation coordinator, the Agency initiates early engagement with Indigenous groups, develops consultation plans, coordinates consultation activities, considers and responds to issues raised by Indigenous groups with respect to environmental effects and Aboriginal and treaty rights, and summarizes the outcomes of consultations for decision-makers, particularly for the Minister of Environment and Climate Change. For substituted environmental assessments, procedural aspects of Indigenous consultation are delegated to the province. The Government of Canada remains responsible for ensuring potentially impacted Indigenous groups are adequately consulted and, where appropriate, accommodated.

CEAA 2012 provides a framework for environmental assessment which includes clear timelines, enabling enforceable decision statements, follow-up programs and other mechanisms and tools to support compliance. The Agency has put in place the necessary measures to implement CEAA 2012 including measures to promote and verify compliance, and will continue to build and enhance its compliance and enforcement programs based on lessons learned.

Organizational Priorities

Name of Priority: Deliver high-quality environmental assessments of major projects

Description

High-quality science-based EAs provide thorough consideration of the environmental effects of designated projects, and identify measures to mitigate adverse effects. EAs are informed by public participation and consultation with Indigenous Peoples, are completed in a timely manner, and provide the information necessary to enable informed decision making. Through a Minister's decision statement, for projects that are allowed to proceed, the EA process leads to clear, measurable, and enforceable conditions with which project proponents must comply, including mitigation measures and follow-up program requirements. Decision statements, combined with compliance promotion, compliance verification and enforcement activities in relation to CEAA 2012 and its regulations contribute to environmental protection and clean growth.

To ensure timeliness and predictability, CEAA 2012 establishes timelines for the Agency to: determine the adequacy of the project description; determine whether an EA of a designated project is required; engage the public, stakeholders and Indigenous Peoples; and complete the EA including the identification of potential conditions that may be established in the decision statement should the project be allowed to proceed.

Priority Type[1]: Ongoing

Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Status	Link to the Organization's Program(s)
Deliver high-quality, science-based EAs, including the development of robust decision statements, the conduct of follow-up programs and the administration of the Compliance and Enforcement	Ongoing	Ongoing	On track	1.2 Environmental Assessment Delivery Program

1. Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the Report on Plans and Priorities or the Departmental Performance Report.

Program.				
Promote compliance with CEAA 2012, its regulations and the conditions in the decision statements issued by the Minister of Environment and Climate Change; verify compliance through on-site and off-site inspections; ensure that investigations are conducted where required; and, in cases of non-compliance, undertake enforcement activities so that corrective actions are taken to avoid adverse environmental effects.	2012	Ongoing	On track	1.2 Environmental Assessment Delivery Program
Ensure that proponents' designs, plans and actions are informed by the best available information and knowledge, including community and Indigenous traditional knowledge, are based on validated methods and models, are undertaken by qualified individuals, and apply the best available economically and technologically feasible measures.	Ongoing	Ongoing	On track	1.2 Environmental Assessment Delivery Program

Integrate Indigenous consultation activities into the EA process to the extent possible, and take into account community knowledge and Indigenous traditional knowledge.	2007	Ongoing	On track	1.2 Environmental Assessment Delivery Program
Provide comprehensive online access to information about CEAA 2012 and the EA of individual projects to support open and transparent government and meaningful participation by all parties with an interest in the EA process.	Ongoing	Ongoing	On track	1.2 Environmental Assessment Delivery Program
Examine options for enhanced opportunities for the public, stakeholders and Indigenous Peoples to participate in the EA process in meaningful ways.	2015	2016	On track	1.2 Environmental Assessment Delivery Program
Facilitate public involvement in project EAs through the delivery of a Participant Funding Program.	Ongoing	Ongoing	On track	1.2 Environmental Assessment Delivery Program
Work with other jurisdictions, including the provinces and territories, to avoid duplication through delegation, substitution and/or	Ongoing	Ongoing	On track	1.2 Environmental Assessment Delivery Program

equivalent assessments.				

Progress Toward the Priority

- The legislated 10-day review time limit was met for all project descriptions received (the final review of the project description took place for 17 projects).
- The legislated time limit of 45 days to determine whether an environmental assessment is required was met for all projects (the determination was made for 17 projects, with 14 requiring an environmental assessment).
- The Agency conducted or managed environmental assessment processes for 60 projects subject to CEAA 2012.
- The Agency supported the former Minister in granting one request for substitution to the Government of British Columbia in accordance with the *Memorandum of Understanding between the Canadian Environmental Assessment Agency (the Agency) and the British Columbia Environmental Assessment Office (EAO) on Substitution of Environmental Assessments, 2013*.
- The Agency managed 19 comprehensive studies and oversaw five screenings initiated under the former *Canadian Environmental Assessment Act*, as per the transitional provisions of CEAA 2012.
- As part of the implementation of the interim approach and principles for environmental assessments currently underway announced by the Minister of Environment and Climate Change on January 27, 2016, the Agency integrated consideration of the five principles, including assessing the direct and upstream greenhouse gas (GHG) emissions of projects into the conduct of environmental assessments.
- The Agency's Participant Funding Program disbursed a total of $1,328,654. It provided $124,875 to 30 recipients to facilitate public participation in the EAs of 13 projects. It provided $1,203,775 to 59 recipients to enable Indigenous consultation and participation in the EAs of 25 projects.
- The Agency enhanced public participation by establishing a new funding category for its Participant Funding Program to award additional funds to recipients when a significant amount of additional information is submitted for consideration in the EA process.
- A review of the Agency's Participant Funding Program, conducted pursuant to the Treasury Board Policy on Transfer Payments and the *Financial Administration Act*, determined that the program is meeting its strategic objectives, is cost-effective, and is delivering value for money.
- The Agency evaluated options for increasing document availability on the Canadian Environmental Assessment Registry Internet Site for EAs. The Agency provided comprehensive online access to additional records for certain EAs conducted by the Agency, thereby improving public access and participation in the EA process.
- The Agency developed internal procedures, guidance and templates to assist Agency employees in the conduct of EAs and to improve the efficiency of the review process.
- The Agency carried out learning and development sessions for staff to discuss common

issues, share best practices and lessons learned, and develop recommendations to address issues requiring further direction or guidance to support effective implementation of CEAA 2012.

- The Agency promoted compliance with CEAA 2012, including compliance with enforceable conditions contained in decision statements. This was achieved through meetings with proponents and industry groups and associations, through the delivery of training on CEAA 2012 to EA stakeholders, and through dissemination of information through various channels, including the Agency's website.
- In addition to compliance verification of information submitted by proponent, the Agency conducted on-site inspections for two projects assessed under CEAA 2012 that began construction in 2015-16. As a result of these inspections, a written warning was issued to one proponent, which required corrective measures to be put in place.
- The Agency continued to strengthen its compliance and enforcement program by:
    - conducting staffing processes to grow capacity;
    - establishing a presence on the Agency's website to promote compliance and disseminate information on enforcement actions that have been carried out;
    - publishing and implementing two important policy instruments: the *Compliance and Enforcement Policy for the Canadian Environmental Assessment Act, 2012* and the *Policy for Ensuring Fair and Transparent Process when Enforcement Actions are taken under the Canadian Environmental Assessment Act, 2012*; and
    - developing standard operating procedures and templates to support Agency staff in promoting compliance and carrying out compliance verification and enforcement activities.

Name of Priority: Build effective relationships with Indigenous Peoples

Description

CEAA 2012 includes provisions specific to the interests of Indigenous Peoples, such as the consideration of changes to the environment caused by a designated project on important aspects of the lives of Indigenous Peoples including their health, socio-economic conditions and current use of lands and resources; the consideration of Indigenous Traditional Knowledge; and consultation with Indigenous Peoples on policy issues related to CEAA 2012. In support of reconciliation and fulfilling the federal government's duty to consult, the Agency integrates consideration of impacts on established or potential Aboriginal or treaty rights into the EA process to the greatest extent possible and identifies mitigation measures for inclusion in conditions in decision statements as potential means for addressing any such impacts. The Agency also participates in the negotiation and implementation of the EA components of land claim agreements and self-government arrangements. Building relationships with Indigenous

Peoples that encourage and facilitate their active participation in these activities and ensuring that Indigenous traditional knowledge can be integrated into the EA is essential to the Agency's mandate.

Priority Type[2]: Ongoing

Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Status	Link to the Organization's Program(s)
Integrate consultation on the potential impacts of designated projects on established or potential Aboriginal and treaty rights into the EA process to the extent possible, and identify mitigation measures to address concerns.	Ongoing	Ongoing	On track	1.1 Environmental Assessment Policy Program 1.2 Environmental Assessment Delivery Program
Develop and implement a strategic outreach and engagement plan to involve Indigenous Peoples and Indigenous knowledge holders in policy development, including research, guidance and training documents related to the application of CEAA 2012 and consultation in the EA process. The	2015	2018	On track	1.1 Environmental Assessment Policy Program 1.2 Environmental Assessment Delivery Program

2. Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the Report on Plans and Priorities or the Departmental Performance Report.

plan will support stronger participation by Indigenous Peoples in federal EAs, and help gather input on policy and technical issues of interest to Indigenous Peoples.				
Support the federal government's reconciliation efforts through negotiation of EA chapters in modern treaties.	Ongoing	Ongoing	On track	1.1 Environmental Assessment Policy Program
Through the Participant Funding Program, effectively and efficiently make funds available to support Indigenous Peoples' participation in the EA process and associated Indigenous consultation activities.	Ongoing	Ongoing	On track	1.2 Environmental Assessment Delivery Program
Contribute, as appropriate, to Government of Canada approaches to enhancing relationships and contributing to reconciliation with Indigenous Peoples.	Ongoing	Ongoing	On track	1.1 Environmental Assessment Policy Program 1.2 Environmental Assessment Delivery Program
Expand and update the suite of operational policy instruments available to	Ongoing	Ongoing	On track	1.1 Environmental Assessment Policy Program

Agency employees based on lessons learned.				
Prepare materials that clarify CEAA 2012 decision making processes for Indigenous Peoples, stakeholders and the public.	Ongoing	Ongoing	On track	1.1 Environmental Assessment Policy Program
Comply with obligations established under the *James Bay and Northern Quebec Agreement* and the *Northeastern Quebec Agreement*. The Agency supports its President in his role as the Federal Administrator for these two agreements.	Ongoing	Ongoing	On track	1.1 Environmental Assessment Policy Program

Progress Toward the Priority
• As the federal Crown consultation coordinator, the Agency undertook consultation with 324 Indigenous groups in 9 provinces across Canada. • The Agency participated in the development and negotiation of EA provisions in modern treaty agreements-in-principle and final agreements, ensuring that the text was consistent with CEAA 2012. • With funding support from Indigenous and Northern Affairs Canada's *Strategic Partnerships Initiative* the Agency conducted three regional workshops with Indigenous organizations to build relationships and exchange knowledge and experience in EA and to identify Indigenous concerns and interests related to EA. • The Agency engaged Indigenous groups in research, guidance and training, by a) sending a request for proposal to Indigenous consulting firms for b) involving knowledge holders in a research project on Indigenous Traditional Knowledge, holding training pilots with Indigenous groups, and seeking comments on draft technical guidance related to current use of lands and resources for traditional purposes. • The Agency supported a pilot project in British Columbia (BC) with the BC First Nations Energy and Mining Council to involve Indigenous leaders, community members and environmental assessment practitioners in developing ideas for improvement in EA practice. • The Agency supported Indigenous and Northern Affairs Canada in the drafting of EA provisions in three agreements under negotiation with Indigenous groups. • The Agency worked with Indigenous groups and provincial governments to implement the EA provisions of formal agreements such as the Nisga'a Final Agreement, the Tsawwassen First Nation Final Agreement, the *James Bay and Northern Quebec Agreement*, and the *Northeastern Quebec Agreement* for projects subject to CEAA 2012, and acted as Federal Administrator for the latter two agreements.

Name of Priority: Play a lead role in shaping the future of federal environmental assessment

Description

To remain effective and support sound decisions, the EA system must be responsive to Canada's evolving economic, technological, social and physical environments. To this end, the Agency strives to ensure that the federal EA framework meets the needs of Canadians and supports sustainable development.

Priority Type[3]: Ongoing

Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Status	Link to the Organization's Program(s)
The Agency will support the Minister of Environment and Climate Change in leading a national review of EA processes.	2015	2017	On track	1.1 Environmental Assessment Policy Program 1.2 Environmental Assessment Delivery Program
Ensure policy direction is clear, and policy instruments reflect lessons learned from the implementation of CEAA 2012 and feedback received from the public, stakeholders and Indigenous Peoples.	Ongoing	Ongoing	On track	1.1 Environmental Assessment Policy Program
Maintain a strong relationship with the United States on EA issues of mutual interest.	Ongoing	Ongoing	On track	1.1 Environmental Assessment Policy Program
Demonstrate and maintain Canada's	Ongoing	Ongoing	On track	1.1 Environmental Assessment

3. Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the Report on Plans and Priorities or the Departmental Performance Report.

international leadership in EA.				Policy Program
Offer advice, training and guidance to other government departments and agencies to strengthen strategic environmental assessment.	Ongoing	Ongoing	On track	1.1 Environmental Assessment Policy Program
Further develop the implementation framework for the regional studies provisions under CEAA 2012.	2012	Ongoing	On track	1.1 Environmental Assessment Policy Program
Develop the policy framework to support the development of robust decision statements, the conduct of follow-up programs, and the administration of the Compliance and Enforcement Program.	Ongoing	Ongoing	On track	1.1 Environmental Assessment Policy Program 1.2 Environmental Assessment Delivery Program

Progress Toward the Priority

- Supported the Government of Canada commitment to review federal EA process in the development and implementation of an interim approach that includes principles that will guide and inform decisions on major projects until such time as the review can be conducted and concluded. The principles include assessing the direct and upstream greenhouse gas emissions linked to the projects under review. The Agency continues to work with Environment and Climate Change Canada to develop the methodology for the evaluation of greenhouse gas (GHG) emissions.
- The Agency researches, analyses and tracks emerging issues and trends under the legislative and regulatory framework for CEAA 2012.
- The Agency completed the following research products:
    - Knowledge synthesis report on malfunctions and accidents and knowledge transfer event for Agency staff.

- Discussion paper on assessing impacts to asserted or established Section 35 rights.
- Knowledge synthesis report on risk management for compliance and enforcement.
- Summary of findings and workshop on establishing benchmarks for current use of land and resources for traditional purposes and health and socioeconomic conditions.
- Summary of findings on human health risk assessment.

- As part of the provision of guidance to stakeholders, the Agency developed the "Proponent's Guide to Cost Recovery for Environmental Assessments by Review Panel" which is available on the Agency's website.
- The Agency published two operational policy statements to provide guidance on how to meet the requirements of CEAA 2012. One operational policy statement deals with "Determining Whether a Designated Project is Likely to Cause Significant Adverse Environmental Effects" and the other provides additional clarity on the Agency's approach relative to "Information Requests and Timelines".
- The Agency also considered comments received during the comment period on the "Technical Guidance for Assessing Cumulative Effects" and initiated a six-month comment period on the draft "Technical Guidance for Assessing the Current Use of Lands and Resources for Traditional Purposes under CEAA 2012".
- The Agency presented five courses on EA in over 11 training sessions across the country to a total of 152 participants. The courses were Interest Based Negotiations, Introduction to the *Canadian Environmental Assessment Act, 2012*, Aboriginal Groups: Environmental Assessment, Introduction to Strategic Environmental Assessment, and Substance of Environmental Assessment (pilot course). Participants in the sessions represented industry, Indigenous groups, environmental non-government organizations, governments (federal, provincial, and territorial), and the general public.
- The Agency maintained a dialogue with provinces and territories on EA practices and policy developments. The Agency hosted a multi-jurisdictional two-day meeting with provinces and territories to exchange information and best practices in EA, and facilitate a dialogue on emerging issues, with a focus on public engagement.
- The Agency hosted the U.S. Environmental Protection Agency to enable a bilateral exchange on EA practices, consideration of climate change in EA, and other emerging issues. The Agency also maintained a working dialogue with its U.S., European and other international counterparts on environmental assessment practices and policies.
- At the International Association of Impact Assessment 2015 annual conference and at the European Commission Conference on the Revised EIA Directive, Agency staff presented lessons learned in implementing the *Canadian Environmental Assessment Act, 2012* and expanding the Agency's knowledge of emerging trends and practices in EA outside of Canada.
- The Agency supports the Minister of Environment and Climate Change in promoting the application of the *Cabinet Directive on the Environmental Assessment of Policy, Plan, and Program Proposals*, and provides federal authorities with guidance and advice upon request

and training as advertised on the Agency's website.

- The Agency developed a draft policy framework on approaches to implementing regional studies under CEAA 2012 as a means to enable the examination of cumulative effects in a region.
- The Agency continued to facilitate an inter-departmental working group on the legislative provisions related to federal lands and lands outside Canada. The Agency provided support and advice to those federal authorities with responsibilities under these legislative provisions on the application of CEAA 2012. The Agency coordinated the annual reporting of federal authorities' activities on federal lands with respect to CEAA 2012 through a consolidated report that was tabled in Parliament.
- The Agency developed a *Compliance and Enforcement Policy under the Canadian Environmental Assessment Act, 2012* and the *Policy for Ensuring Fair and Transparent Process when Enforcement Actions are taken under the Canadian Environmental Assessment Act, 2012*. These two policies communicate the Agency's approach to implementing its compliance and enforcement program.
- The Agency worked in collaboration with partners under the Major Projects Management Office Initiative in examining approaches to strengthening the legislative and regulatory framework and delivering on its mandate in a timely, efficient, and effective way. As part of a broad strategy for the review of EA processes, the Agency supported the Minister in the development of the interim approach and principles to guide the Government's decision making on all major resource projects under review.
- In support of the Red Tape Reduction Action Plan, the Agency posted on its website a Forward Regulatory Plan for 2015 –17 and the 2015 Administrative Baseline Burden count.
- The Agency developed the proposed *Federal Authority as a Responsible Authority for Designated Projects Regulations* which would prescribe the Canada-Nova Scotia Offshore Petroleum Board as a responsible authority under the *Canadian Environmental Assessment Act, 2012*. The proposed regulations were published in the Canada Gazette, Part I on June 27, 2015 for a 30-day public comment period. The Government of Canada has since committed to review federal EA processes. Further decisions with respect to the proposed regulations will be informed by the results of this review.

For more information on organizational priorities, see the Minister's mandate letter.[ii]

Section II: Expenditure Overview

Actual Expenditures

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities Available for Use	2015–16 Actual Spending (authorities used)	Difference (actual minus planned)
17,351,870	17,351,870	30,793,095	29,216,302	11,864,432

Human Resources (Full-Time Equivalents [FTEs])

2015–16 Planned	2015–16 Actual	2015–16 Difference (actual minus planned)
158	236	78

Budgetary Performance Summary

Budgetary Performance Summary for Program(s) and Internal Services (dollars)

Program(s) and Internal Services	2015–16 Main Estimates	2015–16 Planned Spending	2016–17 Planned Spending	2017–18 Planned Spending	2015–16 Total Authorities Available for Use	2015–16 Actual Spending (authorities used)	2014–15 Actual Spending (authorities used)	2013–14 Actual Spending (authorities used)
Environmental Assessment Policy Program	3,117,153	3,117,153	3,932,432	3,932,432	5,134,147	5,134,147	4,141,055	4,351,344
Environmental Assessment Delivery Program	9,476,761	9,476,761	21,729,743	21,729,743	19,490,399	17,913,607	13,552,979	18,016,837
Internal Services	4,757,956	4,757,956	5,248,860	5,248,860	6,168,549	6,168,548	12,063,055	10,260,299
Total	17,351,870	17,351,870	30,911,035	30,911,035	30,793,095	29,216,302	29,757,089	32,628,480

The 2015–16 variances between Main Estimates, Planned Spending, Total Authorities and Actual Spending are largely attributable to the timing of key elements of the fiscal cycle. The Main Estimates, as approved in the spring by Parliament in the initial appropriations, are the first step in the fiscal cycle.

The 2015–16 total Authorities ($30.793 million) represent Main Estimates ($17.352 million), plus in-year Supplementary Estimates, plus adjustments to authorities approved by the Treasury Board, such as Operational Budget Carry-Forward.

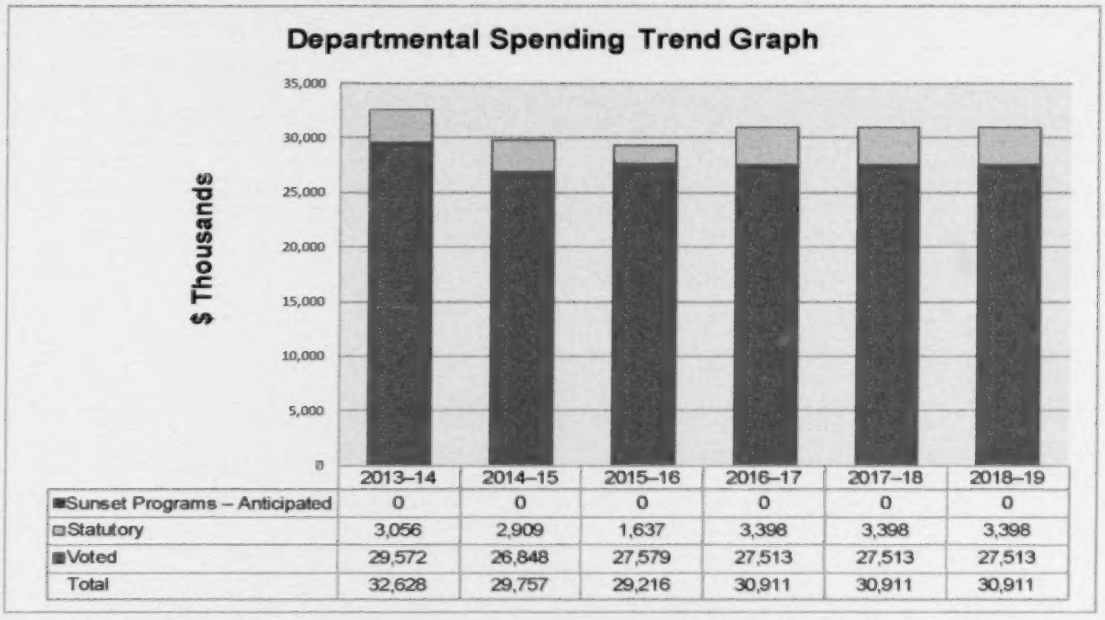
The $30.793 million of 2015–16 Total Authorities available for use exceeded the Planned Spending figure of $17.352 million by $13.4 million. The difference of $13.4 million is attributable primarily to the renewal of sunsetting funds to improve Canada's regulatory framework for major resource projects ($8 million) and funding for Indigenous consultations ($6.8 million). These funds were renewed in Budget 2015 for five years as part of the normal funding renewal process. Planned spending for 2016–17 and 2017–18 also reflect the renewal of funding announced in Budget 2015.

Actual Spending reflects spending activity during the fiscal year as per the 2016 Public Accounts of Canada. The $1.576 million difference between Actual Spending ($29.216 million) and Total Authorities ($30.793 million) is primarily due to lower-than-expected payments under the Participant Funding Program ($1.0 million), and conversion costs ($0.54 million) of operating expenditures to salary expenditures.

The number of projects subject to CEAA 2012 and the pace at which EAs proceed has been affected by recent varying economic conditions, for example, in 2015–16 the Agency recovered less recoverable costs than in previous years. Accordingly, the timing of requests under the Participant Funding Program also varies and is unpredictable. A commitment to participant funding may be planned in one fiscal year, but could be realized across multiple fiscal years, depending on the progress of the EA. All commitments are carried forward from one fiscal year to another and are honoured by the Agency.

Commencing in fiscal 2015–16, the Agency allocated internal services costs of approximately $5 million, which were directly attributable to Programs (for legal services, communications, translation costs and information management and information technology).

Departmental Spending Trend



	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19
Sunset Programs – Anticipated	0	0	0	0	0	0
Statutory	3,056	2,909	1,637	3,398	3,398	3,398
Voted	29,572	26,848	27,579	27,513	27,513	27,513
Total	32,628	29,757	29,216	30,911	30,911	30,911

The Agency spent $29.2 million to achieve the expected results of its program activities and to contribute to its strategic outcome for the 2015–16 reporting period. Total spending includes all parliamentary appropriation and revenue sources for the 2013–14 to 2015–16 reporting periods, and carry-forward adjustments and paylist requirements.

Budget 2016 announced new funding for four years that will allow the Agency to continue to fulfill its mandate of delivering high quality federal EAs. These resources which will be reflected in future years spending, will support activities, such as

increasing the Agency's capacity to undertake consultations with the public and Indigenous groups, and will support compliance and enforcement responsibilities.

Expenditures by Vote

For information on the Canadian Environmental Assessment Agency's organizational voted and statutory expenditures, consult the Public Accounts of Canada 2016.[iii]

Alignment of Spending With the Whole-of-Government Framework

Alignment of 2015–16 Actual Spending With the Whole-of-Government Framework[iv] (dollars)

Program	Spending Area	Government of Canada Outcome	2015–16 Actual Spending
Environmental Assessment Policy	Economic Affairs	Strong Economic Growth	5,134,147
Environmental Assessment Delivery	Economic Affairs	Strong Economic Growth	17,913,607

Total Spending by Spending Area (dollars)

Spending Area	Total Planned Spending	Total Actual Spending
Economic affairs	12,593,914	23,047,754
Social affairs	0	0
International affairs	0	0
Government affairs	0	0

Financial Statements and Financial Statements Highlights

Financial Statements

Detailed financial statements can be found on the Agency's website.[v]

Financial Statements Highlights

Condensed Statement of Operations (unaudited)
For the Year Ended March 31, 2016 (dollars)

Financial Information	2015–16 Planned Results	2015–16 Actual	2014–15 Actual *	Difference (2015–16 actual minus 2015–16 planned)	Difference (2015–16 actual minus 2014–15 actual)
Total expenses	22,553,910	33,959,184	35,281,562	11,405,274	(1,296,899)
Total revenues	3,000,000	814,431	1,860,779	(2,185,569)	(1,046,348)
Net cost of operations before government funding and transfers	19,553,910	33,144,753	33,420,783	13,590,843	(250,551)

* Balances for 2014-15 have been restated from those presented in the 2014-15 DPR. See the Agency's financial statement Note 13 for more detail.

The Agency's actual net financial position for 2015–16 was affected by a decrease in total revenues and expenses in comparison to 2014–15.

The decrease in the total expenses and revenues between 2014–15 and 2015–16 is primarily attributable to fewer environmental assessments by review panels in 2015–16 and one environmental assessment by review panel that is not cost recoverable.

The $13.6 million difference in net cost of operations between 2015–16 actual and planned results was largely attributable to the renewal of sunsetting funds to improve Canada's regulatory framework for major resource projects ($8 million) and funding for Indigenous consultations ($6.8 million) as well as fewer environmental assessments by review panels than planned.

The Agency's workload is constantly affected by outside factors, such as the economy, that can vary the number, types and locations of projects requiring EAs. This limits the accuracy of predicting the pace and levels of expenditures for EAs by the Agency and by review panels.

Budget 2016 provides the Agency with new funding that will allow the Agency to continue to fulfill its mandate of delivering high quality federal environmental assessments. Budget 2016 includes additional funding over four years, starting in 2016–17, to support the Agency in fulfilling its responsibilities under the *Canadian Environmental Assessment Act, 2012*.

Condensed Statement of Financial Position (unaudited) As at March 31, 2016 (dollars)

Financial Information	2015–16	2014–15	Difference (2015–16 minus 2014–15)
Total net liabilities	5,375,772	4,549,101	826,671
Total net financial assets	4,712,467	3,803,001	909,466
Departmental net debt	663,305	746,100	(82,795)
Total non-financial assets	41,370	62,055	(20,685)
Departmental net financial position	(621,935)	(684,045)	(62,110)

The Agency's total net liabilities are comprised primarily of accounts payable and accruals for employee future benefits, vacation and compensatory leave. Liabilities increased by approximately $0.8 million from fiscal year 2014–15 to 2015–16, primarily due to an increase in accounts payable.

The increase in net financial assets from fiscal year 2014–15 to 2015–16 was due to an increase in amounts due from the Consolidated Revenue Fund. The Consolidated Revenue Fund is the account into which the government deposits taxes and revenue, and from which it withdraws in order to defray the costs of public services.

Section III: Analysis of Program(s) and Internal Services

Programs

Program 1.1: Environmental Assessment Policy Program

Description

The Environmental Assessment Policy program develops and promotes robust policies and practices for high-quality environmental assessment (EA) in accordance with the *Canadian Environmental Assessment Act, 2012*. This is achieved by developing and reinforcing policies, procedures and criteria for the conduct of federal EA, by promoting cooperation and coordinated action between the federal government and other jurisdictions, by promoting communication and cooperation with Aboriginal Peoples, and by developing instruments and training for EA practitioners. EA Policy enables continuous improvement through research, monitoring, analysis and advice. Recommendations inform the development of new regulatory and policy approaches, as well as the revision of guidance, training and knowledge-based instruments. The program also provides support for the conduct of EA through various means, such as federal-provincial agreements and policy criteria.[4]

Program Performance Analysis and Lessons Learned

The Agency's policy and capacity-building efforts are targeted at ensuring EA practitioners, the public and Indigenous groups continue to have up-to-date information about CEAA 2012 and evolving EA practices. The Agency conducted research and analysis, delivered training and knowledge-transfer events, organized workshops with key knowledge holders, such as Indigenous groups, and made progress in updating its suite of policy instruments.

In 2015–16, the Agency supported the Minister of Environment and Climate Change in a multi-departmental initiative developing an interim approach and principles to guide the government's decision making on all major resource projects under review. The interim approach and principles are the first part of a strategy to review EA processes that will be implemented in 2016–17.

The Agency developed two policies that communicate its approach to implementing its compliance and enforcement program. The Agency also developed a draft policy framework on approaches to implement regional studies under CEAA 2012 as a means to enable the examination of cumulative effects in a region. As part of this work, the Agency engaged partners and stakeholders including an ad hoc interdepartmental

[4] The program description has been updated for 2016-17 to reflect language in the Minister's mandate letter.

working group, the federal-provincial-territorial EA Administrators Committee, the cumulative effects working group of the Canadian Council of Ministers of the Environment, and the James Bay Advisory Committee on the Environment by presenting an overview of the proposed approach, responding to questions and soliciting feedback.

The Agency developed and approved a new approach for the delivery of research, guidance and training products. This approach outlines the process to identify issues to be addressed through guidance, develop the products, and approve them.

Collaboration undertaken during research and development of operational policy instruments also informs continuous improvement. Users of policy and guidance documents can submit feedback at any time via an online feedback page. In addition, certain draft guidance documents are subject to a six-month consultation period. During 2015–16, the Agency received 27 public comments on its guidance products. These comments are used to improve the Agency's research, guidance, and training products and services. Comments from Agency employees, based on their experiences delivering EAs and integrating Indigenous consultation into EAs of major projects, also informs continuous improvement of policy instruments and capacity building.

In addition, participants to training courses are given the opportunity to provide feedback at the conclusion of a course. The Agency uses this feedback to improve the delivery of its courses. Participant feedback following the delivery of the training courses indicated that 86 percent of participants felt that the training met their needs.

The Agency supports and participates in information sessions on strategic EA offered by other federal departments and agencies. In 2015–16, the Agency participated in one session on strategic EA that was offered by a federal department.

In support of the Red Tape Reduction Action Plan, the Agency posted on its website a Forward Regulatory Plan for 2015–17 and the 2015 Administrative Burden Baseline count. The Agency is monitoring progress on the implementation of the improvement priorities established under its regulatory interpretation policy to be able to report on results achieved by the March 2017 reporting deadline.

The 2015–16 total authorities granted and actual spending are $2.0 million higher than planned primarily due to the renewal of sunsetting funds through supplementary estimates. The increase in FTEs is also a result of the renewal of sunsetting funds.

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities Available for Use	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
3,117,153	3,117,153	5,134,147	5,134,147	2,016,994

Human Resources (Full-Time Equivalents [FTEs])

2015–16 Planned	2015–16 Actual	2015–16 Difference (actual minus planned)
37	41	4

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
High-quality EAs enabled through research, analysis, and monitoring to produce effective policy instruments	Percentage of users of Agency policy instruments who indicated moderate to high satisfaction with these instruments	75%	Not enough information is available to support a reliable and representative quantitative assessment of user satisfaction for 2015–16.

Program 1.2: Environmental Assessment Delivery Program

Description

This program ensures that high quality environmental assessments of major projects are conducted and completed in a timely and predictable way, thereby supporting economic growth while preventing or reducing adverse environmental effects. The most appropriate means of avoiding duplication of assessment activities with other jurisdictions is applied, thereby increasing efficiency and providing certainty for all participants in the process. The Agency will promote, monitor, and facilitate compliance with the *Canadian Environmental Assessment Act, 2012*. The environmental assessment process provides for the meaningful participation of the public and Aboriginal groups. Aboriginal consultation

obligations are integrated to the greatest extent possible with the federal environmental process. As such, the Agency consults with Aboriginal groups during the environmental assessment process to assess how the proposed project may adversely impact potential or established Aboriginal or treaty rights and related interests, and find ways to avoid or minimize these adverse impacts. This program uses funding from the following transfer payments: the Participant Funding Program, and the *James Bay and Northern Quebec Agreement*.[5]

Program Performance Analysis and Lessons Learned

The Agency played a central role in ensuring a robust and science-based federal review process that protects our environment, supports our resource industries, and respects the rights of Indigenous Peoples. The Agency ensured the EA process was administered in a manner that meets legislated time limits under CEAA 2012. As Crown consultation coordinator, the Agency worked with federal authorities, for federal EAs conducted by the Agency or by a review panel, to apply an efficient and effective whole-of-government approach to consultation with Indigenous groups potentially affected by those projects.

The Agency provided expert advice in the development of EA chapters in land claim and self-government agreements that include consultation provisions (e.g. the Innu of Labrador and Petapan, and participation in the British Columbia treaty negotiation process). It also actively participated in the Deputy Ministers' Oversight Committee on Modern Treaty Implementation to address any EA related implementation issues. Finally, the Agency ensured an effective and efficient implementation of the federal EA process in areas where CEAA 2012 and other consultation requirements under modern treaties or land claims agreements apply (*James Bay and Northern Quebec Agreement*, *Nisga'a Final Agreement*, *Inuvialuit Final Agreement*).

The Agency implemented the interim approach and the five principles for the review of major projects announced by the Minister of Environment and Climate Change on January 27, 2016. The principles are the first part of a broader strategy to review and restore confidence in Canada's EA processes. The interim approach and principles are intended to provide greater certainty as to how the Government of Canada will be guided in the application of its discretionary decision-making authorities for projects being assessed during the review of EA processes. As part of the interim approach, the Agency has integrated consideration of direct and upstream GHG emissions into the conduct of EAs. The Agency continues to collaborate with Environment and Climate Change Canada to develop the methodology for the evaluation of GHG emissions within the context of EA.

[5] The program description has been updated for 2016-17 to reflect language in the Minister's mandate letter.

Supported by the Agency, the current Minister of Environment and Climate Change and her predecessor made EA decisions on seven projects. Between June 15 and July 31, 2015, the former Minister issued EA decision statements for the Tazi Twé Hydroelectric Project in Saskatchewan, the Whabouchi Mine Project and the Dumont Nickel Mine Project in Quebec, the Shelburne Basin Venture Exploration Drilling project off the coast of Nova Scotia, and the LNG Canada Export Terminal Project and Brucejack Gold Mine Project in British Columbia. The Minister also issued a project recommendation consistent with the Nisga'a Final Agreement for the Brucejack Gold Mine Project. On March 17, 2016, the Minister of Environment and Climate Change issued her EA decision, taking into account both direct and upstream GHG emissions, for the Woodfibre LNG Project in British Columbia.

The Agency has held comment periods on potential EA conditions for EAs conducted by the Agency and by review panels since the fall of 2014 so as to provide more opportunities for public and Indigenous involvement in the EA process and more transparency in decision making. Seven EA processes included a comment period on potential EA conditions during the 2015–16 reporting period, while two comment periods on potential environmental assessment conditions were held during the previous reporting year.

In order to enhance participation of both the public and Indigenous groups in the EA process, the Agency established a new "special consideration" funding category for its Participant Funding Program. This new funding category can be used to award funds at any stage of an EA where significant new information is submitted requiring additional effort from recipients to review and provide comments.

Additionally, the Agency evaluated options for increasing online access to records on the Canadian Environmental Assessment Registry Internet Site for EAs the Agency conducts. The Agency conducted a pilot project in which comprehensive online access to additional records was provided for certain EAs conducted by the Agency, thereby improving public access and supporting participation in the EA process.

The Agency continues to seek opportunities to strengthen its approach to supporting Indigenous engagement in the EA process. To this end, the Agency held a series of regional meetings to engage Indigenous groups in policy development and to identify opportunities to increase their capacity to participate in the EA process. These meetings were supported by Indigenous and Northern Affairs Canada's Strategic Partnership Initiative. The Agency has also started to integrate lessons learned through these meetings, by responding to those suggestions that could be implemented immediately, such as increased information sharing on the EA process, and by providing the recommendations to be considered as part of the review of EA processes.

CEAA 2012 provides a range of tools to enable efficient and effective management of the EA process within the federal government and with provincial, territorial, and Indigenous government partners, to support the delivery of high-quality EAs, including coordination, delegation and substitution of EA processes and joint reviews. In 2015–16, the Agency signed the *Beaver Dam Mine Project Federal-Provincial Environmental Assessment Cooperation Agreement*. Also in 2015–16, the former Minister granted one request for substitution from the Government of British Columbia, in accordance with the *Memorandum of Understanding between the Canadian Environmental Assessment Agency (the Agency) and the British Columbia Environmental Assessment Office (EAO) on Substitution of Environmental Assessments (2013)*. EA decisions for two substituted projects were announced: the former Minister took the decision for LNG Canada Export Terminal Project on June 17, 2015; and the Minister of Environment and Climate Change took the decision for Woodfibre LNG Project on March 17, 2016.

The Agency continues to strengthen its compliance promotion, verification and enforcement function. Compliance promotion activities include sending compliance promotion letters, and meeting with proponents once a decision statement is issued by the Minister of Environment and Climate Change. The Agency also integrates compliance promotion when meeting with industry groups and associations and as part of training on CEAA 2012 delivered to EA stakeholders. In addition to continuous compliance verification of information submitted by proponent, the Agency conducted on-site inspections for two different projects, and issued a written warning for one of the inspected projects.

The Agency leads interdepartmental committees to facilitate the exchange of information and best practices, and to develop and implement strategies to improve consistency and timeliness in federal EAs.

The 2015–16 total authorities granted are $10 million higher than planned spending primarily due to the renewal of sunsetting funds through supplementary estimates. The increase in FTEs is also a result of the renewal of sunsetting funds.

Statistical Summary of Environmental Assessments

The table below provides a statistical summary of EAs and outlines the total number of projects that underwent transitional EAs conducted under the former *Canadian Environmental Assessment Actor* or were assessed under CEAA 2012 between April 1, 2015 and March 31, 2016

Quantity and Type of EA between April 1, 2015 and March 31, 2016			EA Decisions Taken between April 1, 2015 and March 31, 2016		EAs on March 31, 2016
EA Type	Ongoing on April 1, 2015	Initiated	Completed	Terminated	Ongoing
Transitional Screening	5	0	0	0	5
Transitional Comprehensive Study	19	0	2	1	16
Conducted by the Agency	29	9	3	2	33
Conducted by Review Panel	6	3	1	1	7
Substituted	12	1	2	0	11

Note: In accordance with the former *Canadian Environmental Assessment Act*, the Agency fulfilled the duties of federal departments and agencies that were responsible authorities for comprehensive studies. The Agency was responsible for 19 transitional comprehensive studies, two of which were completed in 2015–16.

Further information about the federal environmental assessment process can be found on the Agency's website.[vi]

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities Available for Use	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
9,476,761	9,476,761	19,490,399	17,913,607	8,436,846

Human Resources (FTEs)

2015–16 Planned	2015–16 Actual	2015–16 Difference (actual minus planned)
71	125	54

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Deliver EAs within timelines established under CEAA 2012	Percentage of EAs conducted by the Agency that adhere to CEAA 2012 timelines	100%	100%
EA process provides meaningful participation of Indigenous groups and integrates Crown consultation to the greatest extent possible	Percentage of Indigenous groups with high or moderate potential for being affected by a project that provided comments on EA documents to the Agency	90%	79%
Deliver high-quality EAs	Percentage of projects undergoing follow-up and monitoring for which the Agency received a report (during the reporting period) indicating that mitigation measures set out in the EA decision statement would effectively address the environmental effects of the project	90%	N/A[6]
	Where adaptive management measures set out in an EA decision statement were required as a result of a follow-up and monitoring report, and a report was received by the Agency on the implementation of those measures during the reporting period, the percentage of projects where the adaptive management measures led to effectively addressing the environmental effects of the project	90%	N/A[7]

[6] The Agency received two annual reports on March 31, 2016. At that time, the reports were being analysed to determine whether they conformed with the requirements of CEAA 2012.

[7] During the reporting period, no reports were received by the Agency which indicated adaptive management measures needed to be implemented.

Internal Services

Description

Internal services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. Internal services include only those activities and resources that apply across an organization, and not those provided to a specific program. The groups of activities are Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

Program Performance Analysis and Lessons Learned

In support of meeting its mandate, including modernizing business and information management practices in alignment with Government of Canada policy direction, the Agency achieved the following results:

2015–16 marked the first year the Agency fully utilized the financial Systems Applications and Products (SAP) platform following a migration process with Environment and Climate Change Canada and Agriculture and Agri-Food Canada. The SAP platform will allow the Agency to manage the procurement-to-payment process better and enhance planning and reporting while improving financial and non-financial data integrity.

In collaboration with Public Service and Procurement Canada, the Agency completed its transfer to Phoenix, the new Government of Canada pay system. Communications of new responsibilities and functionalities concerning Phoenix were shared throughout the transition.

Further, the Agency revised its staffing policy framework to align with the Public Service Commission's new direction in staffing. Communications and information sessions highlighting the changes as well as the roles and responsibilities of effective human resources management practices were delivered to Agency employees and managers.

Blueprint 2020, led by the Clerk of the Privy Council, is an important Public Service-wide initiative. It promotes a vision for building a high-performing, modern organization that strives toward the continuous improvement of the Public Service. The Agency has made important strides since the endorsement of the Blueprint 2020 vision.

Focus was given to maintaining a high-performing workforce and continued improvement of the performance management program, to developing and sharing tools, and to delivering information sessions to managers and supervisors. In addition, the

inauguration of the Agency Learning Series was an important milestone with a number of learning activities aimed at raising employees' awareness and professional development. The learning activities that were delivered aligned with key elements identified in the Agency's 2014–17 Integrated Human Resources Plan and the 2014–17 Employment Equity Plan.

As part of the Government of Canada Web Renewal Initiative, the Government of Canada is migrating departments' and agencies' web content to a unified website: Canada.ca. The unified website will allow Canadians to better access Government of Canada information and services. Over the past year the Agency has been working closely with the Treasury Board Secretariat and Environment and Climate Change Canada to prepare to fully transfer the Agency's web content to the Canada.ca platform. The Agency was originally a pathfinder organization and is planning for its transition, expected in 2016–17.

The Agency continues to modernize its approach for open government and public engagement. As part of this approach, a social media strategy has been drafted to accompany the Agency's three-year communications plan. Part of the strategy is an increased focus on making the Agency more "digital by default" in the way it communicates with Canadians.

The Agency continues to monitor and reinforce compliance with Government of Canada policies, directives and guidelines relating to information technology security and privacy. This year the Agency continued to develop interim high-level security plans and monitored security alert systems. In addition, new privacy breach policy and process were implemented and a system was put in place for the management of portable data storage devices.

The Agency has taken steps to integrate and modernize information technology systems and information management practices to more efficiently support EAs and Indigenous consultations, in partnership with Public Services and Procurement Canada through its Shared Case Management System. The Agency is currently developing the Environmental Assessment Management System (EAMS) which integrates a number of tracking and management tools and spreadsheets into a single application. Once fully implemented, the Agency will be better positioned to deliver information on the EA process to Canadians.

The scheduled migration to GCDOCS, the government-wide standard electronic document and records management system, was delayed a year due to changes related to central shared services onboarding. Onboarding is now planned for 2016–17. This

migration is a key aspect of the Agency's information management and open government strategy.

The 2015–16 total authorities granted and actual spending are $1.4 million higher than planned primarily due to the renewal of sunsetting funds through supplementary estimates. The increase in FTEs is also a result of the renewal of sunsetting funds.

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities Available for Use	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
4,757,956	4,757,956	6,168,549	6,168,548	1,410,592

Human Resources (FTEs)

2015–16 Planned	2015–16 Actual	2015–16 Difference (actual minus planned)
50	70	20

Section IV: Supplementary Information

Supplementary Information Tables

The following supplementary information tables are available on the Canadian Environmental Assessment Agency's website[vii].

- Departmental Sustainable Development Strategy
- Internal Audits and Evaluations
- Response to Parliamentary Committees and External Audits
- User Fees, Regulatory Charges and External Fees

Federal Tax Expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures annually in the Report of Federal Tax Expenditures.[viii] This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

Organizational Contact Information

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Appendix: Definitions

appropriation (*crédit*): Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (*dépenses budgétaires*): Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report (*rapport ministériel sur le rendement*): Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Reports on Plans and Priorities. These reports are tabled in Parliament in the fall.

full-time equivalent (*équivalent temps plein*): A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada outcomes (*résultats du gouvernement du Canada*): A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

Management, Resources and Results Structure (*Structure de la gestion, des ressources et des résultats*)**:** A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

non-budgetary expenditures (*dépenses non budgétaires*): Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (*rendement*)**:** What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

performance indicator (*indicateur de rendement*): A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting (*production de rapports sur le rendement*): The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

planned spending (*dépenses prévues*): For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

plans (*plan*): The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

priorities (*priorité*)**:** Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

program (*programme*)**:** A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

Program Alignment Architecture (*architecture d'alignement des programmes*)**:** A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities (*rapport sur les plans et les priorités*): Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

results (*résultat*): An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

statutory expenditures (*dépenses législatives*): Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome (*résultat stratégique*): A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

sunset program (*programme temporisé*): A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

target (*cible*): A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (*dépenses votées*): Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

Whole-of-government framework (*cadre pangouvernemental*): Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

Endnotes

i. *Canadian Environmental Assessment Act, 2012*, http://laws-lois.justice.gc.ca/eng/acts/C-15.21/index.html

ii. **Minister's mandate letter**, http://pm.gc.ca/eng/node/39961

iii. **Public Accounts of Canada 2016**, http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html

iv. **Whole-of-Government Framework**, http://www.tbs-sct.gc.ca/hgw-cgf/finances/rgs-erdg/wgf-ipp-eng.asp

v. **Canadian Environmental Assessment Agency**, http://www.ceaa-acee.gc.ca/default.asp?lang=En&n=C5C19E38-1#fin

vi. **Canadian Environmental Assessment Agency**, http://www.ceaa-acee.gc.ca/

vii. **Canadian Environmental Assessment Agency**, http://www.ceaa-acee.gc.ca/default.asp?lang=En&n=0BAAA441-1&offset=&toc=hide

viii. **Report of Federal Tax Expenditures**, http://www.fin.gc.ca/purl/taxexp-eng.asp